

HOUSE BILL No. 1387

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5-5-44.

Synopsis: Sales tax exemption for drainage equipment. Provides that a component of a farm drainage system is exempt from sales tax if a farmer acquires the component. Provides that equipment designed specifically to install, repair, or maintain a farm drainage system is exempt from sales tax if the equipment is acquired by a farmer or a person in the business of installing, repairing, or maintaining farm drainage systems.

Effective: July 1, 2009.

Gutwein, Grubb

January 13, 2009, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

HOUSE BILL No. 1387

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-2.5-5-44 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2009]: **Sec. 44. (a) As used in this section, "farm drainage**
4 **system" means a system of drainage tubing, drainage tiles, and**
5 **related control systems designed to facilitate the drainage of**
6 **agricultural land.**

7 **(b) Transactions involving a component of a farm drainage**
8 **system are exempt from the state gross retail tax if the person**
9 **acquiring the component is engaged in the business of agriculture.**

10 **(c) Transactions involving equipment designed specifically to**
11 **install, repair, or maintain farm drainage systems are exempt from**
12 **the state gross retail tax if the person acquiring the equipment is**
13 **engaged in the business of:**

14 **(1) agriculture; or**

15 **(2) installing, repairing, or maintaining farm drainage**
16 **systems.**



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